



**DEPARTMENT OF VETERANS AFFAIRS**

**8320-01**

**Annual Pay Ranges for Physicians, Dentists, and Podiatrists of the  
Veterans Health Administration (VHA)**

**AGENCY:** Department of Veterans Affairs

**ACTION:** Notice

**SUMMARY:** The Department of Veterans Affairs (VA) is hereby giving notice of annual pay range, which is the sum of the base pay rate and market pay for Veterans Health Administration (VHA) physicians, dentists, and podiatrists as prescribed by the Secretary for Department-wide applicability. These annual pay ranges are intended to enhance the flexibility of the Department to recruit, develop, and retain the most highly qualified providers to serve our Nation's Veterans and maintain a standard of excellence in the VA health care system.

**DATES:** Annual pay ranges are applicable October 27, 2019.

**FOR FURTHER INFORMATION CONTACT:** Farine Cohen, Program Analyst, Policy and Programs, VHA Workforce Management & Consulting Office (10A2A), Department of Veterans Affairs, 810 Vermont Avenue, NW, Washington, DC 20420, (202) 461-7179. This is not a toll-free number.

**SUPPLEMENTARY INFORMATION:** Under 38 U.S.C. 7431(e)(1)(A), not less often than once every 2 years, the Secretary must prescribe for Department-wide applicability the minimum and maximum amounts of annual pay that may be paid to VHA physicians, dentists, and podiatrists. 38 U.S.C. 7431(e)(1)(B) allows the Secretary to prescribe separate minimum and maximum amounts of annual pay for a specialty or assignment. Pursuant to 38 U.S.C. 7431(e)(1)(C), amounts prescribed under

paragraph 7431(e) shall be published in the Federal Register and shall not take effect until at least 60 days after date of publication.

In addition, under 38 U.S.C. 7431(e)(4), the total amount of compensation paid to a physician, dentist, or podiatrists under title 38 of the United States Code cannot exceed, in any year, the amount of annual compensation (excluding expenses) of the President. For the purposes of subparagraph 7431(e)(4), “the total amount of compensation” includes base pay, market pay, performance pay, recruitment, relocation, and retention incentives, incentive awards for performance and special contributions, and fee basis earnings.

### Background

The Department of Veterans Affairs Health Care Personnel Enhancement Act of 2004 (P.L. 108-445) was signed by the President on December 3, 2004. The major provisions of the law established a new pay system for Veterans Health Administration (VHA) physicians and dentists consisting of base pay, market pay, and performance pay. While the base pay component is set by statute, market pay is intended to reflect the recruitment and retention needs for the specialty or assignment of a particular physician or dentist at a facility. Further, performance pay is intended to recognize the achievement of specific goals and performance objectives prescribed annually. These three components create a system of pay that is driven by both market indicators and employee performance, while recognizing employee tenure in VHA.

On April 8, 2019, the President signed Public Law 116-12, which amended 38 U.S.C. 7431 to include podiatrists within the physician and dentist pay system, authorizing podiatrists to receive base pay, market pay, and performance pay.

With the amendment, podiatrists are also subject to the same limitations and requirements as physician and dentists under 7431.

With regard to the Pay Tables for physicians and dentists, there have been changes to the minimum and maximum amounts for Pay Table 5. However, the minimum and maximum amounts for Pay Tables 1-4 have remained unchanged since the 2016 publication in the Federal Register.

## Discussion

VA identified and utilized salary survey data sources which most closely represent VA comparability in the areas of practice setting, employment environment, and hospital/health care system. The Association of American Medical Colleges (AAMC), Hospital and Healthcare Compensation Service (HHCS), Sullivan, Cotter, and Associates (S&C), Medical Group Management Association (MGMA), and the Survey of Dental Practice published by the American Dental Association (ADA) were collectively utilized as benchmarks from which to prescribe annual pay ranges across the scope of assignments/specialties within the Department. While aggregating the data, a preponderance of weight was given to those surveys which most directly resembled the environment of the Department.

In constructing annual pay ranges to accommodate the more than 40 specialties that currently exist in the VA system, VA continued the practice of grouping specialties

into consolidated pay ranges. This allows VA to use multiple sources that yield a high number of salary data which helps to minimize disparities and aberrations that may surface from data involving smaller numbers for comparison and from sample change from year to year. Thus, by aggregating multiple survey sources into like groupings, greater confidence exists that the average compensation reported is truly representative. In addition, aggregation of data provides for a large enough sample size and provides pay ranges with maximum flexibility for pay setting for VHA physicians, dentists, and podiatrists.

In developing the annual pay ranges, a few distinctive principles were factored into the compensation analysis of the data. The first principle is to ensure that both the minimum and maximum salary is at a level that accommodates special employment situations, from fellowships and medical research career development awards to Nobel Laureates, high-cost areas, and internationally renowned clinicians. The second principle is to provide ranges large enough to accommodate career progression, geographic differences, sub-specialization, and other special factors.

Clinical specialties were reviewed against available, relevant private sector data. The specialties are grouped into four clinical pay ranges that reflect comparable complexity in salary, recruitment, and retention considerations. One recommendation was made to rename Anesthesiology Pain Management in Pay Table 3 to Pain Management (Interventional and Non-Operating Room (OR) Anesthesiology). This change is necessary to distinguish that Interventional/Non-OR Anesthesiology is the primary role. Two additional pay ranges apply to VHA Chiefs of Staff and executive

level administrative assignments at the facility, network, or headquarters level. There is a change to Pay Table 5

#### PAY TABLE 5 - CHIEF OF STAFF

TIER LEVEL	MINIMUM	MAXIMUM
TIER 1	\$150,000	\$350,000
TIER 2	\$147,000	\$325,000
TIER 3	\$145,000	\$300,000
TIER 4	\$140,000	\$275,000

#### PAY TABLE 5 – COVERED ASSIGNMENTS

VHA Chiefs of Staff – Tier assignments are based on published facility complexity level: Network Chief Medical Officer, Chief of Staff Complexity Levels 1a & 1b Chief of Staff Complexity Level 1c, Deputy Network Chief Medical Officer, Chief of Staff Complexity Level 2, Chief of Staff Complexity Level 3, and All Deputy Chiefs of Staff.

#### PAY TABLE 6 - EXECUTIVE ASSIGNMENTS

TIER LEVEL	MINIMUM	MAXIMUM
TIER 1	\$145,000	\$304,750
TIER 2	\$145,000	\$249,900
TIER 3	\$130,000	\$235,000

#### PAY TABLE 6 - COVERED EXECUTIVE ASSIGNMENTS

Principal Deputy, Deputy Under Secretary for Health, Chief Officer, Network Director, Medical Center Director, Network Chief Officer, Executive Director, Assistant Under Secretary for Health, VA Central Office Chief Consultant, National Director, National Program Manager and other VA Central Office Physician/Dentist.

Signing Authority

The Secretary of Veterans Affairs approved this document and authorized the undersigned to sign and submit the document to the Office of the Federal Register for publication electronically as an official document of the Department of Veterans Affairs.

Robert L. Wilkie, Secretary, Department of Veterans Affairs, approved this document on August 8, 2019, for publication.

Dated: August 15, 2019

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**Jeffrey M. Martin,**

*Assistant Director,*

*Office of Regulation Policy & Management,*

*Office of the Secretary,*

*Department of Veterans Affairs.*

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